

RESOLUTION APPROVING THE USE OF FUNDS
OF THE CITY OF EL PASO PROPERTY FINANCE
AUTHORITY, INC. TO PROVIDE CLOSING COST
AND/OR DOWN PAYMENT ASSISTANCE IN
CONNECTION WITH THE EL PASO HOUSING
FINANCE CORPORATION=S 2004 SINGLE
FAMILY MORTGAGE REVENUE BOND
PROGRAM.

WHEREAS, the City Council of the City of El Paso created the City of El Paso Property Finance Authority, Inc. to benefit the City of El Paso, Texas, in furtherance of its public purposes; and

WHEREAS, the City of El Paso Property Finance Authority, Inc. (the AIssuer@) previously issued, on June 30, 1992, its Single Family Mortgage Revenue Bonds (GNMA Mortgage-Backed Securities Program), Series 1992 (the ABonds@), in the aggregate principal amount of \$14,170,000, in order to provide for the purchase of the GNMA Certificates from the El Paso Housing Finance Corporation, and thereby provide for the refunding and redemption of the El Paso Housing Finance Corporation=s Single Family Mortgage Revenue Bonds (GNMA Mortgage-Backed Securities Program), Series 1987, which bonds were issued to assist persons of low and moderate income within the City of El Paso, Texas, to afford the costs of acquiring and owning decent, safe, and sanitary housing) (the original lending program, together with the refunding transaction, is collectively referred to herein as the AProgram@); and

WHEREAS, the Bonds were issued pursuant to a Trust Indenture dated as of June 1, 1992 (the AIndenture@), by and between the Issuer and JPMorgan Chase Bank (as successor to Texas Commerce Bank-El Paso, National Association), as trustee (the ATrustee@); and

WHEREAS, the utilization of any proceeds of such a redemption are limited to only assist persons of low and moderate income within the City of El Paso, Texas, to afford the costs of acquiring and owning decent, safe, and sanitary housing; and

WHEREAS, the programs of the El Paso Housing Finance Corporation, are specifically directed to the purpose of assisting persons of low and moderate income within the City of El Paso, Texas, to afford the costs of acquiring and owning decent, safe, and sanitary housing; and

WHEREAS, the programs of the El Paso Housing Finance Corporation further the public purposes of the City through its programs; and

WHEREAS, the Articles of Incorporation of the City of El Paso Property Finance Authority, Inc. provide for the use of the funds of the El Paso Property Finance Authority, Inc. for the City and others in programs or activities that are from time to time approved by ordinance or resolution duly adopted by the City Council of the City of El Paso; and

WHEREAS, the City Council finds that the use of the proceeds of the sale of the GNMA certificates after the redemption of the Bonds in the form of down payment and/or closing cost assistance in connection with the proposed 2004 Single Family Mortgage Revenue Bond Program of the El Paso Housing Finance Corporation will serve the governmental and public purposes of the City of El Paso by providing assistance to persons of low and moderate income to acquire and own decent, safe, sanitary, and affordable housing.

NOW THEREFORE be it resolved by the City Council of the City of El Paso,

1. That use of funds of the City of EL Paso Property Finance Authority, Inc. to provide down payment and/or closing cost assistance to first time home buyers and other qualified borrowers in connection with the 2004 Single Family Mortgage Revenue Bond Program is part of and consistent with the public purposes and governmental programs of the City of El Paso.
2. The use of Funds of the City of El Paso Property Finance Authority, Inc. to provide down payment and/or closing cost assistance to qualified first time home buyers is approved.

(Signature Page Follows)

Adopted this ____ day of June 2004


City of El Paso

Joe Wardy
Mayor

Attest:

Richarda Duffy Momsen
City Clerk

Approved as to Form::


Theresa Cullen-Garney
Deputy City Attorney